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Financing of the United Nations Mission in Ethiopia and Eritrea

Financial performance report of the United Nations Mission in Ethiopia and Eritrea for the period from 31 July 2000 to 30 June 2001

Report of the Secretary-General

Summary

The present report contains the financial performance report of the United Nations Mission in Ethiopia and Eritrea (UNMEE) for the period from 31 July 2000 to 30 June 2001. The General Assembly, by its resolutions 55/237 and 55/252 A of 23 December 2000 and 12 April 2001, appropriated a total amount of \$189,190,200 million gross (\$186,608,500 net) for the operation of the Mission.

Expenditures for the period totalled \$164,106,000 gross (\$162,204,000 net), resulting in an unencumbered balance of \$25,084,200 gross (\$24,404,500 net).

The unencumbered balance resulted mainly from lower actual costs for military and civilian personnel owing to delayed deployment, as well as reduced operational and other programme requirements.

The actions to be taken by the General Assembly in connection with the financing of the Mission are set out in paragraph 16 of the present report.



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I. Introduction

1. The United Nations Mission in Ethiopia and Eritrea (UNMEE) was established by the Security Council in its resolution 1312 (2000) of 31 July 2000 for an initial period of six months. The Mission's mandate has been extended by the Council in subsequent resolutions, the latest of which was resolution 1369 (2001) of 14 September 2001, by which the Council extended the mandate until 15 March 2002.

2. The initial budget for the establishment and operation of UNMEE for the period from 31 July 2000 to 30 June 2001, as set out in the report of the Secretary-General dated 4 December 2000 (A/55/666), amounted to \$199,075,800 gross (\$196,313,700 net). This amount included commitment authority of \$50 million gross (\$49,715,100 net) granted by the Advisory Committee on Administrative and Budgetary Questions to meet the Mission's start-up costs and initial requirements as well as the costs for the period from 1 to 31 July 2001 related to dispatching reconnaissance and liaison teams to the Mission area. It provided for 3,980 contingent personnel, including up to 220 military observers, supported by 619 civilian staff (282 international (119 Professional, 42 General Service and 121 Field Service), 322 local and 15 United Nations Volunteers).

3. Subsequently, the Advisory Committee, in its report dated 13 December 2000 (A/55/688), recommended that a detailed review of the original estimates should be presented during the winter of 2001. Owing to delayed deployment of military and civilian personnel, the budget estimates presented at that time were revised downwards to \$190,699,200 gross (\$188,202,600 net).

4. On the recommendation of the Advisory Committee on Administrative and Budgetary Questions in its report dated 2 March 2001 (A/55/688/Add.1, para. 44), the General Assembly, by its resolution 55/252 A of 12 April 2001, appropriated an amount of \$180 million gross (\$177,866,900 net) for the operation of the Mission for the period from 31 July 2000 to 30 June 2001, inclusive of the amount of \$150 million gross (\$148,220,200 net) previously authorized by the Assembly in its resolution 55/237 of 23 December 2000, in which it had also appropriated \$9,190,200 gross (\$8,741,600 net) for the support account for peacekeeping operations for the same time period.

II. Implementation of the budget

5. Information on the operations of UNMEE and on the situation on the ground during the reporting period is contained in the reports of the Secretary-General to the Security Council of 9 August 2000 (S/2000/785), 18 September 2000 (S/2000/879), 12 January 2001 (S/2001/45), 7 March 2001 (S/2001/202) and 19 June 2001 (S/2001/608).

6. During the reporting period, the mission subsistence allowance rate in Eritrea was decreased from \$95 to \$80, effective 1 May 2001. This, along with an average vacancy rate of 35 per cent, resulted in savings of \$1,141,300 under military observers. Similarly, savings of \$723,600 were realized under the international staff category, where there was an average vacancy rate of 39 per cent throughout the 11-month period.

7. Owing to a delayed deployment of military personnel, as a result of ongoing negotiations on a memorandum of understanding and preparation time for the troop-contributing countries, savings of \$3,950,500 were realized under military contingents with an average vacancy rate of 53 per cent. These savings were realized in areas such as standard troop-cost reimbursement, welfare, rations, daily allowance, clothing and equipment allowance and emplacement and rotation. Savings of \$4,113,000 were also realized under the international and local staff category owing to delayed deployment, which resulted in an average vacancy rate of 52 per cent.

8. The cancellation of hazard allowance in Asmara, effective 1 December 2000, along with the vacancy rate for international and local staff and the policy of placing newly employed local staff on special service agreements for an average of three months resulted in savings of \$2,618,800 under common staff costs.

9. Operational requirements resulted in savings of \$1,471,000 under transportation operations mainly due to outsourcing of major repairs of vehicles; savings of \$3,195,800 were realized under air operations owing to lower than anticipated flying hours; and savings of \$2,653,600 were realized under communications equipment due to the fact that the Mission did not purchase the mobile asset locator tracking system (vehicle tracking system) or single site cellular system. There were further savings of \$1,337,800 under supplies and services mainly due to delayed start-up of the Mission and establishment of premises, which resulted in lower than budgeted expenditures for contractual services.

10. Without the establishment of the Temporary Security Zone, internally displaced persons were unable to return to inhabit their towns/villages. Consequently, non-governmental organizations (NGOs) and United Nations agencies could not gain access to the relevant areas to determine which projects would be needed to assist those persons returning. As a result, savings were incurred owing to the delay in establishing/assessing the required quick-impact projects.

11. During the period under review, an amount of \$2,796,800 was expended by the Mission on measures taken to provide security of the staff, as shown in table 1 below.

Table 1
Expenditures for staff security
(Thousands of United States dollars)

<i>Item</i>	<i>Expenditure</i>
Security personnel	153.6
Alterations and renovations to premises	2.3
Protective vehicles	2 301.1
Air operations	49.5
Other equipment	112.5
Supplies and services	1 177.8
Total	2 796.8

III. Financial performance report for the period from 31 July 2000 to 30 June 2001

12. As indicated in table 2 below, from the total appropriation of \$189,190,200 gross (\$186,608,500 net), expenditures amounted to \$164,106,000 gross (\$162,204,000 net), inclusive of \$94,597,000 in unliquidated obligations. The resulting unspent balance of \$25,084,200 gross (\$24,404,500 net) represents in gross terms, some 13 per cent of the resources provided. Annex I to the present report contains the financial performance information for the reporting period by budget line item, with supplementary information on significant variances presented in annex II. Annex V contains a chart showing appropriation and expenditure by main budget groups.

Table 2
Apportionment and expenditures
(Thousands of United States dollars)

<i>Category of expenditure</i>	<i>Apportionment</i>	<i>Expenditure^a</i>	<i>Variance</i>
Military personnel	64 188.5	58 852.8	5 335.7
Civilian personnel	16 689.5	12 429.1	4 260.4
Operational requirements	94 707.1	80 993.8	13 713.3
Other programmes	2 281.8	1 186.7	1 095.1
United Nations Logistics Base at Brindisi, Italy	-	-	-
Support account for peacekeeping operations	8 741.6	8 741.6	-
Staff assessment	2 581.7	1 902.0	679.7
Gross requirements	189 190.2	164 106.0	25 084.2
Income from staff assessment	(2 581.7)	(1 902.0)	(679.7)
Net requirements	186 608.5	162 204.0	24 404.5
Voluntary contributions in kind (budgeted)	-	-	-
Voluntary contributions in kind (non-budgeted)	-	-	-
Total resources	189 190.2	164 106.0	25 084.2

^a Includes an amount of \$94,597,000 in unliquidated obligations.

Table 3

Authorized staffing, incumbency and vacancy rates for military and civilian personnel for the period from 31 July 2000 to 30 June 2001

<i>Personnel category</i>	<i>Authorized strength</i>	<i>Actual strength (average)</i>	<i>Vacancy rate (percentage)</i>
Military observers	220	143	35
Military contingents	3 980	1 858	53
Civilian police	-	-	-
International staff	282	173	39
National officers	-	-	-
Local staff	322	88	63
United Nations Volunteers	15	1	93

IV. Application of article IV of the financial regulations of the United Nations

13. In a report to the General Assembly at its thirty-third session on the United Nations Emergency Force/United Nations Disengagement Observer Force (UNEF/UNDOF) (A/C.5/33/45), the Secretary-General indicated, *inter alia*, that the amounts owed to troop-contributing countries could not be paid within the time frame envisaged under financial regulation 4.3, a situation that continues to be the experience in current peacekeeping operations. Consequently, over the years, the Assembly has adopted special arrangements whereby appropriations required in respect of obligations owed to Governments providing contingents and/or logistical support to missions have been retained beyond the period stipulated under financial regulations 4.3 and 4.4.

14. In the case of UNMEE, as in the case of UNEF/UNDOF and other more recent peacekeeping operations, including the United Nations Mission in Sierra Leone (UNAMSIL), there are currently certain amounts obligated for reimbursement to Governments for death and disability compensations, contingent-owned equipment and self-sustainment that will be required for the settlement of claims.

15. Accordingly, it is proposed that special arrangements regarding article IV of the financial regulations similar to those contained in the annex to General Assembly resolution 55/251 B of 14 June 2001 related to UNAMSIL be applied to UNMEE, as follows:

(a) At the end of the 12-month period provided for in financial regulation 4.3, any unliquidated obligations of the financial period in question relating to goods supplied and services rendered by Governments for which claims have been received or which are covered by established reimbursement rates shall be transferred to accounts payable; such accounts payable shall remain recorded in the Special Account for UNMEE until payment is effected;

(b) Any other unliquidated obligations of the financial period in question owed to Governments for provision of goods and services rendered but not yet verified, as well as other obligations owed to Governments, for which claims have not yet been received shall remain valid for an additional period of four years following the end of the 12-month period provided for in financial regulation 4.3;

(c) Claims received during this four-year period as well as approved verification reports shall be treated as provided for under subparagraph (a) above, if appropriate;

(d) At the end of the additional four-year period, any unliquidated obligations shall be cancelled and the then remaining balance of any appropriations retained therefor shall be surrendered.

V. Actions to be taken by the General Assembly at its fifty-sixth session

16. The actions to be taken by the General Assembly in connection with the financing of the United Nations Mission in Ethiopia and Eritrea are as follows:

(a) To decide on the treatment of the unencumbered balance of \$25,084,200 gross (\$24,404,500 net) with respect to the period from 31 July 2000 to 30 June 2001;

(b) To decide on the treatment of other income for the period from 31 July 2000 to 30 June 2001 amounting to \$858,000 from interest income (\$765,000) and other/miscellaneous income (\$93,000);

(c) A decision that the special arrangements as regards article IV of the financial regulations of the United Nations, as detailed in paragraph 15 above, be applied to UNMEE.

Annex I

Financial performance report for the period from 31 July 2000 to 30 June 2001: summary statement

(Thousands of United States dollars)

Category of expenditure	(1) Apportionment ^a	(2) Non-recurrent expenditures	(3) Total expenditures (inclusive of non-recurrent expenditures)	(4) = (1 - 3) Variance
I. Military personnel				
1. Military observers	6 167.7	464.9	4 782.5	1 385.2
2. Military contingents	41 128.4	3 167.1	37 177.9	3 950.5
3. Other requirements pertaining to military personnel				
(a) Contingent-owned equipment	9 437.5	-	9 437.5	-
(b) Self-sustainment	6 254.1	-	6 254.1	-
(c) Death and disability compensation	1 200.8	-	1 200.8	-
Subtotal, line 3	16 892.4	-	16 892.4	-
Total, category I	64 188.5	3 632.0	58 852.8	5 335.7
II. Civilian personnel				
1. Civilian police	-	-	-	-
2. International and local staff	16 460.0	81.2	12 347.0	4 113.0
3. United Nations Volunteers	229.5	18.5	82.1	147.4
4. Government-provided personnel	-	-	-	-
5. Civilian electoral observers	-	-	-	-
Total, category II	16 689.5	99.7	12 429.1	4 260.4
III. Operational requirements				
1. Premises/accommodations	10 955.5	8 284.6	10 285.2	670.3
2. Infrastructure repairs	220.0	132.9	132.9	87.1
3. Transport operations	14 046.9	10 635.9	12 575.9	1 471.0
4. Air operations	22 665.7	1 235.5	19 469.9	3 195.8
5. Naval operations	-	-	-	-
6. Communications	17 567.9	12 523.6	14 914.3	2 653.6
7. Other equipment	10 279.1	9 097.6	9 320.9	958.2
8. Supplies and services	4 969.0	422.4	3 631.2	1 337.8
9. Air and surface freight				
(a) Transport of contingent-owned equipment	11 175.0	9 500.6	9 500.6	1 674.4
(b) Commercial freight and cartage	2 828.0	704.3	1 162.9	1 665.1
Subtotal, line 9	14 003.0	10 204.9	10 663.5	3 339.5
Total, category III	94 707.1	52 537.3	80 993.8	13 713.3

Category of expenditure	(1)	(2)	(3)	(4) = (1 - 3)
	Apportionment ^a	Non-recurrent expenditures	Total expenditures (inclusive of non-recurrent expenditures)	Variance
IV. Other programmes				
1. Election-related supplies and services	-	-	-	-
2. Public information programmes	435.4	114.0	271.6	163.8
3. Training programmes	136.9	-	67.6	69.3
4. Mine clearing programmes	1 009.5	172.5	718.2	291.3
5. Assistance for disarmament and demobilization	-	-	-	-
5. Quick impact projects	700.0	129.3	129.3	570.7
Total, category IV	2 281.8	415.8	1 186.7	1 095.1
V. United Nations Logistics Base at Brindisi	-	-	-	-
VI. Support account for peacekeeping operations	8 741.6	-	8 741.6	-
VII. Staff assessment	2 581.7	-	902.0	679.7
Gross requirements, categories I-VII	189 190.2	56 684.7	164 106.0	25 084.2
VIII. Income from staff assessment	(2 581.7)	-	(1 902.0)	(679.7)
Net requirements, categories I-VIII	186 608.5	56 684.7	162 204.0	24 404.5
IX. Voluntary contributions in kind (budgeted)	-	-	-	-
X. Voluntary contributions in kind (non-budgeted)	-	-	-	-
Total	189 190.2	56 684.7	164 106.0	25 084.2
				<i>Amount</i>
XI. Other income/adjustments				
Interest income				765.0
Other/miscellaneous income				93.0
Voluntary contributions in cash				-
Prior period adjustments				-
Savings on or cancellation of prior period obligations				-
Total, category XI				858.0

^a Based on appropriations provided by General Assembly resolutions 55/237 and 55/252 A.

Annex II

Supplementary information on significant variances

Military personnel

Apportionment: \$64,188,500; expenditure: \$58,852,800; variance: \$5,335,700

1. The unutilized balance of \$5,335,700 under this heading resulted from lower costs for military observers and military contingents. Provisions made under other requirements pertaining to military personnel for the reimbursement of troop-contributing countries for contingent-owned equipment and self-sustainment were fully obligated.

Military observers

Apportionment: \$6,167,700; expenditure: \$4,782,500; variance: \$1,385,200

2. The unutilized balance of \$1,385,200 under this heading resulted primarily from the delayed deployment of military observers throughout the 11-month period, coupled with the reduction in the mission subsistence allowance as of 1 May 2001 from \$95 and \$80 for Eritrea and Ethiopia, respectively, to \$80 throughout the Mission area. In addition savings resulted from lower average cost of travel for military observers. These savings were partially offset by additional requirements for clothing and equipment.

Military contingents

Apportionment: \$41,128,400; expenditure: \$37,177,900; variance: \$3,950,500

3. The unutilized balance of \$3,950,500 under this heading was primarily attributable to lower actual costs for rations due to the delayed deployment of contingent personnel and the lower number of troops deployed (\$1,559,700) as well as savings under the emplacement, rotation and repatriation of troops budget line (\$1,553,100). Repatriation costs for three troop-contributing countries were replaced by two countries, thus creating savings on air charter costs.

Civilian personnel

Apportionment: \$16,689,500; expenditure: \$12,429,100; variance: \$4,260,400

4. The unutilized balance of \$4,260,400 under this heading was primarily attributable to reduced requirements under international and local staff (\$4,113,000) and United Nations Volunteers (\$147,400).

International and local staff

Apportionment: \$16,460,000; expenditure: \$12,347,000; variance: \$4,113,000

5. The unutilized balance of \$4,113,000 was mainly attributable to lower costs of international and local staff due to delayed deployment of staff. The actual average vacancy rate for international staff during the reporting period was 39 per cent,

compared to a budgeted vacancy rate of 10 per cent. Local staff salaries were calculated at the G-4 step IV level of the salary scale applicable to the Mission area, inclusive of a 10 per cent vacancy rate. The actual average vacancy rate for local staff during the period under review was 63 per cent, as a result of the non-availability of qualified local staff. The unutilized balances under the international staff salaries (\$944,100) and common staff costs (\$2,618,800) were attributable to lower than budgeted actual grade level of staff encumbered against the budgeted posts and discontinuation of the hazardous allowance in Asmara on 1 December 2000.

6. Savings under common staff costs resulted primarily from the cancellation of the hazardous duty allowance in Asmara, commencing 1 December 2000, and the fact that the initial employment of local staff (average of three months) was based on special service agreements.

7. During the period under review, no UNMEE personnel were on short-term loans to other operations, as had been the case during the first year of operations.

United Nations Volunteers

Apportionment: \$229,500; expenditure: \$82,100; variance: \$147,400

8. The unutilized balance of \$147,400 under this heading reflects delayed deployment of United Nations Volunteers due to the delayed signing of the memorandum of understanding between the United Nations and the United Nations Volunteers in Bonn, Germany.

Operational requirements

Apportionment: \$94,707,100; expenditure: \$80,993,800; variance: \$13,713,300

9. The unutilized balance of \$13,713,300 relates to savings under premises/accommodation (\$670,300); infrastructure repairs (\$87,100); transport operations (\$1,471,000); air operations (\$3,195,800); communications (\$2,653,600); other equipment (\$958,200); supplies and services (\$1,337,800); and air and surface freight (\$3,339,500).

Premises/accommodation

Apportionment: \$10,955,500; expenditure: \$10,285,200; variance: \$670,300

10. Savings of \$670,300 under this heading resulted mainly from lower requirements, including: lower maintenance services due to the fact that most premises were being renovated; lower utility costs due to the greater utilization of state electricity, which was relatively stable, as opposed to generator based electrical power, which resulted in lower expenditures for electricity and generator fuel consumption; minimal construction/pre-fabricated buildings owing to the fact that the majority of pre-fabricated buildings were procured from the Danish Government, thus eliminating freight costs as the prefabricated buildings were on site at the staff officers camp (formerly known as the Danish camp).

11. The unutilized resources under this heading were partially offset by additional requirements of \$51,700 under rental of premises due to additional non-budgeted

expenditures for the start-up of the mission, maintenance supplies of \$18,800 due to additional expenditures incurred for supplies to renovate UNMEE premises and supplies for the erection of field defence stores.

Infrastructure repairs

Apportionment: \$220,000; expenditure: \$132,900; variance: \$87,100

12. The unutilized balance of \$87,100 under this heading was mainly due to the minimal expenditure incurred for services and materials to repair roads utilized by UNMEE operations. Road repairs were also delayed due to the unfavourable weather conditions. Savings were partially offset by increased expenditure for the repair and extension of airstrips, in addition to the purchase of lights for helipads to facilitate night landings.

Transport operations

Apportionment: \$14,046,900; expenditure: \$12,575,900; variance: \$1,471,000

13. The unspent balance of \$1,471,000 under this heading was attributable primarily to savings generated under the workshop equipment budget line, since less equipment was purchased for the UNMEE workshop as major engine and accident repairs were contracted out for all vehicles. The reconfiguration of the vehicle requirements and the lower actual cost of some vehicles compared to the standard costs also contributed to savings under this budget line. The cost estimates provided for the acquisition of 290 new vehicles. During the reporting period, a total of 296 vehicles were purchased. Based on vehicle operational requirements, one specialist vehicle and two airport vehicles were no longer required. In addition, a lower number of armoured/mine protected vehicles (16) and two fire trucks were acquired and there was thus less need for spare parts repairs and maintenance. This resulted in savings against the purchase of vehicles budget line.

14. The United Nations-owned vehicle fleet arrived earlier than anticipated, hence reduced expenditure under rental of vehicles.

15. Furthermore, the reduction in the number of vehicles resulted in an unutilized balance under petrol, oil and lubricants due to lower consumption of fuel.

Air operations

Apportionment: \$22,665,700; expenditure: \$19,469,900; variance: \$3,195,800

16. The unutilized balance of \$3,195,800 resulted from savings of \$1,237,700 under helicopter operations, \$1,948,500 under fixed-wing operations and \$127,000 under aircrew subsistence allowance, offset by additional requirements of \$117,300 under other air operations requirements, resulting mainly from the delayed deployment of helicopters to the Mission area. The budget was based on the hiring of 7 medium-utility and 2 light-observation/patrol helicopters and 1 heavy cargo, 4 medium passenger/cargo and 4 light passenger aircrafts. However, due to the late deployment and the fact that no flying hours were incurred by 1 medium-utility helicopter (AS 330 Puma); and the lower number flying hours of the Hughes 500, in addition to the two aircrafts under letters of assist (G-222 and P-166), savings were realized under hire/charter costs.

17. Lower expenditures were recorded under aviation fuel and lubricants, due to the lower number of budgeted flying hours by the UNMEE helicopter and aircraft fleet.

18. The unutilized balance under aircrew subsistence allowance was due to the downward revision of the daily subsistence allowance rate for crew members from \$111 per person/day to \$66 per person/day. Additional requirements under landing fees and ground handling charges resulted from the fact that the air transportation commenced in UNMEE in August 2000, covering a period of 11 months, which resulted in unanticipated landing and ground handling charges.

Communications

Apportionment: \$17,567,900; expenditure: \$14,914,300; variance: \$2,653,600

19. The unutilized balance of \$2,653,600 is mainly attributable to lower requirements for communications equipment, in particular, 347 mobile asset locator tracking systems and two single-site cellular systems, budgeted at \$867,500 and \$600,000 respectively. Upon re-evaluation, the mobile asset locator tracking systems were not found to be cost effective and were therefore not purchased. The two single-site cellular systems were not purchased because the quality of commercially available global systems for mobile communications service proved reliable and more cost effective. In addition, savings were realized due to lower freight costs, which resulted from the transport of communications equipment from the United Nations Logistics Base at Brindisi via air and commercial sea freight.

20. The aforementioned savings were partially offset by additional requirements for the acquisition of additional workshop and test equipment for the workshops in the three Sector headquarters.

Other equipment

Apportionment: \$10,279,100; expenditure: \$9,320,900; variance: \$958,200

21. An unutilized balance of \$958,200 was realized under the other equipment budget line due to a number of factors: (a) less office equipment than budgeted for was purchased as it was more cost effective to lease equipment since contracts included maintenance services, repairs, provision of spare parts and supplies, as well as the replacement of damaged/non-functional office equipment; (b) lower freight costs for data-processing equipment as items were shipped from the United Nations Logistics Base at Brindisi via air or sea — the respective costs were absorbed under the air operations and commercial freight and cartage budget lines; (c) fewer items of observation equipment purchased for use by military observers patrolling in the field; (d) change in operational requirements for the establishment of a medical clinic in Asmara only, thus reducing the need for the budgeted amount of medical and dental equipment; (e) refrigeration containers were not purchased as self-sustaining troop-contributing countries have the responsibility for refrigeration of their fresh rations; (f) lower requirements for spare parts and maintenance as the majority of the equipment were newly acquired; (g) lower unit costs for the walk-through metal detector (60 per cent less) and the X-ray machines (75 per cent less) in addition to a lower number of walk-through detectors as they were supplemented with hand-held metal detectors.

22. These savings were offset by additional requirements under office furniture, petrol tank plus metering equipment, water and septic tanks, accommodation equipment, miscellaneous equipment and water purification budget lines.

Supplies and services

Apportionment: \$4,969,000; expenditure: \$3,631,200; variance: \$1,337,800

23. The unutilized balance under this heading resulted from the lower cost of miscellaneous services (\$1,387,900), which were partially offset by the additional requirements for miscellaneous supplies (\$50,100).

24. The unutilized resources of \$1,387,900 under miscellaneous services were mainly due to lower requirements under contractual services. Due to the ongoing deployment of civilian and military personnel and the continuing establishment of UNMEE premises/locations contractual services for cleaning, sewage/garbage removal and warehouse support services were delayed, resulting in considerable savings under this heading. Pending the establishment of these contracts, an open-ended contract was established for casual labourers to perform the necessary services, pending establishment and movement to permanent premises. Additional savings were incurred as a result of a lower number of contractual personnel hired for communications and electronic data-processing support. Thirty-five personnel were budgeted for, but only 15 actually deployed.

25. Additional requirements reported under miscellaneous supplies were attributable to a number of factors: (a) because several troop-contributing countries were not self-sustained under the office equipment category, additional unbudgeted expenditures were incurred for their stationery requirements, further compounded by the fact that a lower provision of person-months was budgeted for stationery and office supplies resulting in higher freight costs as stationery was purchased from a system contract from a vendor in Italy, which resulted in higher in-house reproduction of manuals and instructions on recycled paper and in-house reproduction of training materials (HIV/AIDS and gender training); (b) additional acquisition of sanitation and cleaning supplies due to the fact that troop-contributing countries were not self-sustained in accommodation and catering and the vast number of UNMEE premises located in different areas within the Asmara area; (c) higher demand for butane cylinders and kerosene bottles for military contingents and an increase in the acquisition of security identification accessories (blank IDs, ID clips and ID chains) to allow for the printing of UNMEE identification for all civilian personnel, military observers, military contingents and contractors.

Air and surface freight

Apportionment: \$14,003,000; expenditure: \$10,663,500; variance: \$3,339,500

26. The unutilized balance of \$3,339,500 under this heading resulted from lower requirements for the transportation of contingent-owned equipment due to lower number of cubic metres of such equipment deployed and repatriated and lower in-country costs for contingents located in Sector East (Assab), as the area had a suitable airport and seaport to facilitate incoming flights and ships, in addition to lower costs incurred for preparation services required for the loading of repatriated contingent-owned equipment. Savings under the commercial freight and cartage

budget line resulted from no hire/charter costs for the transportation of equipment via air from the United Nations Logistics Base at Brindisi to UNMEE, as UNMEE utilized the United Nations IL-76 aircraft and absorbed the costs within the hours allotted under air operations.

Other programmes

Apportionment: \$2,281,800; expenditure: \$1,186,700; variance: \$1,095,100

27. The unutilized balance of \$1,095,100 related to savings of \$163,800 for public information programmes, \$69,300 for training programmes, \$291,300 for mine clearing programmes and \$570,700 for quick impact projects.

Public information programmes

Apportionment: \$435,400; expenditure: \$271,600; variance: \$163,800

28. The unutilized balance of \$163,800 under this heading related to the delayed deployment of military and civilian public information office personnel to the Mission area coupled with the lower costs of materials and supplies procured, contractual services and public information production costs.

Training programmes

Apportionment: \$136,900; expenditure: \$67,600; variance: \$69,300

29. The cost estimates provided for the training for a total of 18 staff, finance (two), electronic data processing (four), procurement (two) and military training (resource team of ten). Ten UNMEE staff received training during the reporting period as detailed in the table below. Savings under this heading resulted from the use of United Nations personnel for the induction training for military personnel, thus only incurring expenses for travel and daily subsistence allowance. Additional savings were incurred due to the fact that no travel expenses were incurred for finance training and lower travel costs were incurred for procurement and military training. These savings were offset by additional travel costs and course fees incurred for additional technical training in communications and electronic data processing.

<i>Description of training</i>	<i>Expenditure in United States dollars</i>	<i>Number of persons trained</i>	<i>Venue</i>
Communications	12 600	2	Brindisi
Communications — ISDN/MD-110	8 700	1	Brindisi
Electronic Support Services — technical training course — Reality	6 600	1	Brindisi
Electronic Support Services — technical training course — Windows 2000	7 200	1	Brindisi
Workshop (procurement)	4 700	1	Nicosia
Electronic Support Services — technical training course — CISCO network devices	8 500	1	Brindisi
Maintenance and workshop operation for Renault trucks	6 500	1	Lyon
Information technology planning meeting and management workshop	10 800	2	Brindisi
Total	67 600	10	

Mine-clearing programmes

Apportionment: \$1,009,500; expenditure: \$718,200; variance: \$291,300

30. Provision made in the cost estimates in support of the activities of the Mine Action Coordination Centre was not utilized during the period under review mainly due to delays in the acquisition of mine clearing and safety equipment and the fact that no costs were incurred for the printing of booklets and leaflets. This service was later sub-contracted to the United Nations Office for Project Services, which produced the publications. In addition, the delayed deployment of military and civilian personnel, resulted in a lower order of booklets and leaflets.

Quick-impact projects

Apportionment: \$700,000; expenditure: \$129,300; variance: \$570,700

31. Provision of \$700,000 under quick impact projects were intended to provide for the restoration and /or enhancement of basic infrastructure in the area of hostilities, including schools, hospitals and other community and municipal infrastructure that had sustained severe damage. Savings of \$570,700 under this budget line resulted from the delay in the establishment of the Temporary Security Zone and the identification of projects, which were mainly to be implemented in and around the Temporary Security Zone. Details of projects implemented during the reporting period are provided in the table below:

<i>Project title</i>	<i>Location</i>	<i>Implementing agency</i>	<i>Amount US \$</i>
Construction of two classrooms	Arae	Adigrat Diocesan Catholic Secretariat	13 860
Purchase of school desks	Adi Keyh	Adi Kyh Sub Zoba Administration	7 350
Replacement of educational and sports equipment for the National Union of Eritrean Youth and Students recreational centre	Tessenay	CARE	7 500
Repair of Rama electric supply	Rama	Rama Municipality	4 750
Construction of latrine at Salim primary school	Assab	Regional Administration of Southern Red Sea Province	14 870
Construction of a medical clinic in Tessenay	Tessenay	CARE	15 000
Construction of school toilets	Feredashum	Adigrat Diocesan Catholic Secretariat	1 800
Repair of water distribution system in Rama	Rama	Rama Municipality	12 700
Provision of trucked water	Bure	Bure Municipality	5 000
Portable water for isolated villages	Haididile, Daro, Abe	Adigrat Diocesan Catholic Secretariat	10 800
Water project	Abo	Regional Administration of Southern Red Sea Province	5 900
Emergency water supply development	Martha Tabia	Relief Society of Tigre	14 520
Repair of water distribution system	Kuna	United Nations military observers, Local contractor	250
Repair of water pump	Kuna	United Nations military observers, Local contractor	100
Rehabilitation of water supply in Bimbilna	Bimbilna	Mani Tese	14 900
Total			129 300

Staff assessment

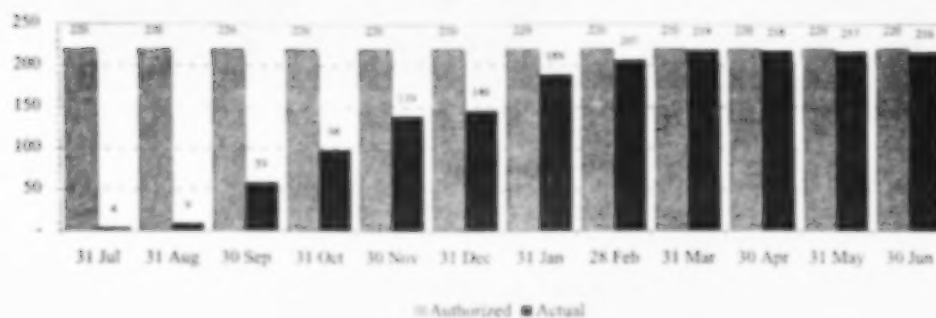
Apportionment: \$2,581,700; expenditure: \$1,902,000; variance: \$679,700

32. The unutilized balance of \$679,700 under this heading related mainly to the fact that posts were encumbered by staff at a lower grade level than the authorized level, and higher than projected vacancy rates for the international and local staff during the period under review.

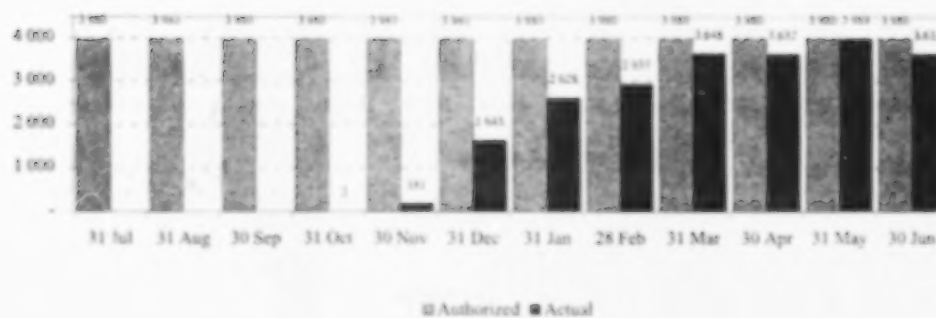
Annex III

**Planned and actual deployment of military and civilian personnel
for the period from 31 July 2000 to 30 June 2001**

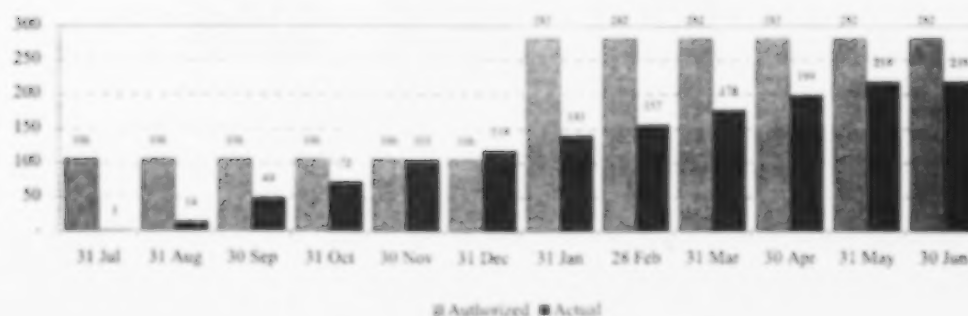
1. Military observers



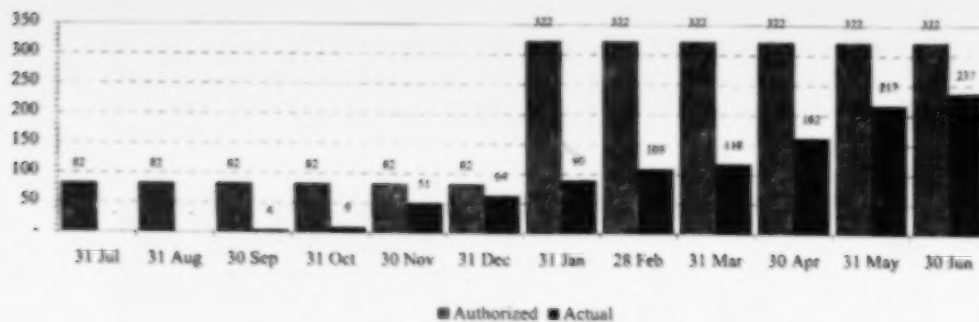
2. Military contingents



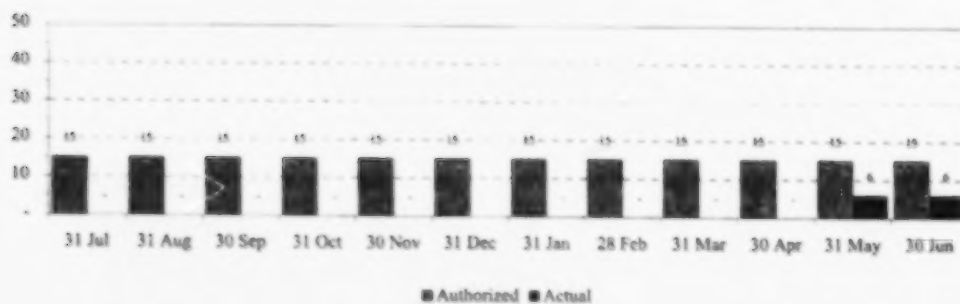
3. International staff



4. Local staff



5. United Nations Volunteers



Annex IV**Apportionment and expenditure for the period from
31 July 2000 to 30 June 2001**